

NEWS – CONGRESSMAN PETE STARK

239 Cannon House Office Building

Washington, DC 20515

(202) 225-5065

www.stark.house.gov

FOR IMMEDIATE RELEASE

Wednesday, May 25, 2011

Contact: Sarah Baldauf – (202) 225-3202

Bipartisan Coalition Urges Sensible Drug Policy

***Introducing Three Bills to Protect Access to Medical Marijuana ***

WASHINGTON – In a sign of growing bipartisan Congressional support for reforming our nation's drug laws, a coalition of Republicans and Democrats today offered three bills that would ensure fair treatment of cannabis businesses under tax and banking law, and change existing law to reflect the medical efficacy of marijuana. The bills were authored by Congressman Pete Stark (D-CA), Congressman Barney Frank (D-MA), and Congressman Jared Polis (D-CO).

Stark's bill, HR 1985, the Small Business Tax Equity Act, would allow medical marijuana dispensaries to take the full range of business expense deductions on their federal tax returns, just like every other legal business is permitted to do under the law. It is co-sponsored by Congressman Dana Rohrabacher (R-CA) and Congressman Ron Paul (R-TX), as well as Frank and Polis.

"Our tax code undercuts legal medical marijuana dispensaries by preventing them from taking

all the deductions allowed for other small businesses,” Stark stated. “While unfair to these small business owners, the tax code also punishes the patients who rely on them for safe and reliable access to medical marijuana prescribed by a doctor. The Small Business Tax Equity Act would correct these shortcomings.”

The States’ Medical Marijuana Patient Protection Act, authored by Frank and co-sponsored by Stark, Polis and Rohrabacher, would make individuals and entities immune to federal prosecution when acting in compliance with state medical marijuana laws. It would also direct the administration to initiate the process of rescheduling marijuana under the Controlled Substances Act so that it is placed in a schedule other than Schedules I or II.

“The time has come for the federal government to stop preempting states’ medical marijuana laws,” Frank said. “For the federal government to come in and supersede state law is a real mistake for those in pain for whom nothing else seems to work. This bill would block the federal prosecution of those patients who reside in those states that allow medical marijuana.”

Polis’ Small Business Banking Improvement Act, which is cosponsored by Stark, Frank and Paul, would ensure that medical marijuana businesses that are state-certified have full access to banking services by amending the Bank Secrecy Act.

“When a small business, such as a medical marijuana dispensary, can’t access basic banking services they either have to become cash-only—and become targets of crime—or they’ll end up out-of-business,” said Polis. “In states that have legalized medical marijuana, and for businesses that have been state-approved, it is simply wrong for the federal government to intrude and threaten banks that are involved in legal transactions.”

Stark and Polis welcomed Congressman Paul’s support for their bills.

“It is time to get the federal government out of state criminal matters, so states can determine sensible drug policy for themselves,” added Paul. “It is quite obvious the federal war on drugs is a disaster. Respect for states’ rights means that different policies can be tried in different states and we can see which are the most successful. This legislation is a step in the right direction as it removes a major federal road block impeding businesses that states have determined should be allowed within their borders.”

###